

ANNUAL USE OF CAPITAL SURVEY - 2009**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

TIB Financial Corp.

Person to be contacted regarding this report:	Stephen J. Gilhooly
CPP Funds Received:	\$37,000,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	12/5/2008
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	2457943
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	21435
City:	Naples
State:	Florida

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	TIB Bank continued to lend in its markets and support the financial services needs of its communities during 2009. The bank was able to continue to lend because of the increased capital strength provided by the CPP investment.
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<input checked="" type="checkbox"/>	<p>To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).</p>	<p>The Bank originated \$125 million of residential mortgages, sold \$60 million into the secondary market and retained \$65 million in its loan portfolio. The Bank also originated \$80 million of new commercial and commercial real estate loans. \$12 million of new consumer loans were also made.</p>
<input checked="" type="checkbox"/>	<p>Increase securities purchased (ABS, MBS, etc.).</p>	<p>Securities purchased, principally US agency and mortgage backed securities, increased principally due to the deployment of funds received from the assumption of the deposits of a failed bank.</p>
<input checked="" type="checkbox"/>	<p>Make other investments</p>	<p>Not applicable - no other investments made</p>
<input checked="" type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>The operating and economic conditions in our markets declined markedly and far beyond our expectations in 2009. As a consequence the Bank's level of non-performing loans and OREO increased significantly. **See increased charge-offs below**</p>

✕	Reduce borrowings	Borrowings were also reduced due to the deployment of funds from the assumption of the failed bank.
✕	Increase charge-offs	\$37 million of charge-offs were incurred, a \$42 million provision for loan losses was recorded and our reserve for loan losses increased \$5.3 million to \$29.1 million at the end of the year.
✕	Purchase another financial institution or purchase assets from another financial institution	On February 12, 2009 TIB Bank assumed the deposits of Riverside Bank of the Gulf Coast (Cape Coral, Florida) from the FDIC. \$317 million of deposits and the banking offices were acquired.
✕	Held as non-leveraged increase to total capital	In December 2008 \$15 million of the CPP investment was down-streamed to TIB Bank and during 2009 an additional \$20.5 million, was down-streamed as additional equity capital. Approximately \$1.3 million of dividends were paid in 2009 on the investment.

What actions were you able to avoid because of the capital infusion of CPP funds?

Due to the contracting economic conditions in 2008 we had begun to explore raising additional capital in the summer of 2008. With the financial market contagion that occurred in the fall, it was very clear that we would be unable to access the capital markets for the foreseeable future. The CPP investment provided the necessary capital to strengthen the Company's and Bank's capital position, which gave us the financial strength and confidence to continue to lend during 2009.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

We would have not had sufficient financial strength to assume the deposits and operations of Riverside Bank. In addition, absent the investment, the Bank would most likely not have been able to continue lending at the level that it did.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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